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C.I.A. Study Undermines Effort to Cut Arms Exports

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WASHINGTON, Jan. 16—Officials of the State Department and the Arms Control and Disarmament Agency are attempting to stop publication of a new study by the Central Intelligence Agency that contends that Soviet arms exports to the third world rival American shipments, a finding that could jeopardize efforts by the Carter Administration to exercise unilateral restraint in military sales.

The study, which officials said the C.I.A. hopes to release to the public, is not based on new findings concerning Soviet exports but on a new way of calculating the value of those exports. However, the study has generated a dispute within the Administration because it appears to contradict statements by President Carter and others that the United States is by far the largest exporter of military equipment.

The Administration is trying to reduce arms sales for fiscal 1978 despite the fact that efforts toward a Soviet-American understanding on such exports have just begun.

The Administration has not based its arms-sales policy solely on whether Moscow reciprocates. It views American restraint as an important means in itself for reducing tensions in conflict-prone regions such as the Horn of Africa. In May, Mr. Carter argued, "Because we dominate the world market to such a degree, I believe the United States can and should take the first step."

Threat to Reductions Feared

However, officials acknowledge that it will be difficult to reduce sales without the support of other major arms suppliers. This observation is borne out by the fact that in fiscal 1977 the United States agreed to a record \$11 billion in sales, including major deals with Iran and Saudi Arabia.

Now, State Department and arms agency officials are worried that the new C.I.A. study, in conjunction with Congressional concern over Soviet arms support for Ethiopia, Iraq and Libya, could undermine the Administration's proposed reductions, which could total some \$1 billion in fiscal 1978.

In October, the C.I.A. reported that Moscow in 1976 concluded new sales agreements for about \$2.34 billion and delivered some \$2.25 billion in arms to third world countries. The United States total for both new sales and arms delivered were more than twice as large. The

new C.I.A. report, however, is said to show Soviet and American totals to be much more equal.

The major complaint of the report's critics is that the C.I.A.'s findings reflect a change in accounting procedures that tend to exaggerate the size of Moscow's efforts in comparison with the American program. Under a previously used approach, the C.I.A. attempted to measure the total size of the Soviet exports, including the cost of support programs, spare parts and maintenance.

However, C.I.A. officials are said to have criticized this approach on the ground that intelligence on Soviet support activities was not adequate to produce a firm estimate of the overall size of Moscow's program. As a result, the

C.I.A. study only estimates the value of so-called "end items"—military hardware shipped to the third world, excluding training and support expenses.